

Andover Room 2
338.782
E12

Electric Lighting

FACTS

FOR CONSIDERATION AT THE TOWN
MEETING, AT ANDOVER, MASS.,

SEPTEMBER 26, 1898.

ROCKWELL & CHURCHILL PRESS, BOSTON.

MEMORIAL HALL LIBRARY
Andover, Mass.

3133000 715 9191 (3)
Andover Room R 338,762 Ele

ELECTRIC LIGHTING.

AT the annual meeting of the town, held last March, the Andover Electric Company submitted a proposition to light the streets of the town as then lighted, on a three-years' contract, from the first day of March last, for the sum of \$4,150. A committee of five was elected by the town at said meeting to take the matter into consideration, "To make contract and rearrange lights, contract to be made for not over three years," and "That \$4,150 be appropriated for street lighting for the current year." Representatives of the Electric Company met with the Lighting Committee and an agreement was made in regard to the changes of arc for incandescent lights. The price asked by the Electric Company, to wit, "\$4,150," did not meet with the approval of the Lighting Committee, and the selectmen, at the request of the Lighting Committee, petitioned the Gas and Electric Commissioners, complaining to said commissioners "That the charges for such lighting appear to be unequal and extremely exorbitant, and petition that your Honorable Board may order a just and proper reduction in the price of the electricity sold and delivered by said company, and pass such orders and take such action as are necessary thereto." In accordance with said petition, notice of a hearing was served upon said Electric Company and the Board of Selectmen, and publication made in the Andover "Townsmen," designating April 22 last at 10.30 A.M., at the lower Town Hall, as the time and place for a hearing. At said

hearing, which lasted all of said day, the Gas and Electric Commissioners, accompanied by their stenographer, the Lighting Committee, and the Electric Company were present, and the whole matter as expressed in the petition was carefully considered and discussed. At this meeting Mr. Barker, of the Gas Commissioners, in the course of his remarks, spoke as follows :

“ In order that the Board may not be embarrassed, I would like to know — I would like to inquire of the representatives of the town and of the company — whether they would be willing that a price which may be found by the Board should relate back to the first of April, whenever the decision of the Board may be made.”

To which question both the Lighting Committee and the Electric Company assented ; Mr. Coleman, for the company, saying : “ So far as we are concerned, we have no objection.” Mr. Smith, for the Lighting Committee, saying : “ I think, so far as the town is concerned, we are willing that any proposition should date back to March 1st.” Mr. Bell, of the Lighting Committee, saying : “ Whatever agreement is made would date back to April then.” (The former contract between the town and the Electric Company expired March 1st last, but an agreement was made that a new contract, if made, should commence on the first day of April last.) As the result of the said hearing, the Gas and Electric Commissioners, on the 29th day of July last, submitted the following report :

Commonwealth of Massachusetts.

IN BOARD OF GAS AND ELECTRIC COMMISSIONERS,

BOSTON, July 29, 1898.

ANDOVER PETITION.

This was a petition by the selectmen of the town of Andover for a reduction in the prices of street lights supplied by the Andover Electric Company.

A hearing upon this petition was given in Andover at which the town and company were represented by counsel. At the termination of a three-years' contract on March 31st the town was using thirty-one 1,200-candle-power arcs and seventy-four 25-candle-power incandescents, upon a moonlight schedule running until midnight, for \$3,700 per year, and an additional charge of one dollar per night when run until 12.30 A.M. As the lights were, in fact, run upon a dark-night schedule, and mostly until 12.30 A.M., they were operated during the last year of the contract an average of 25.8 nights per month and 4.6 hours per night. The town desires to continue substantially the same service with the option to substitute twenty incandescent lights for five arcs now in use, the expense of the change to be borne by the company.

For the last year of the contract the cost of the lights was about \$4,100. The town appropriated \$4,150 for the current year, and appointed, with authority to make a contract, the committee at whose request the selectmen brought the petition.

The time since the hearing has given the Board the opportunity to study the history, condition, and operations of the plant.

There was at the hearing no criticism of the management, and no reason for any has been found by the Board. There was some claim that the capital was then and had always been excessive for the plant and business, but as the company has never earned nor paid a dividend, and probably cannot earn one with the present volume of business at the prices charged, this claim, if correct, would seem to be unimportant in the present case. The company has earned no more than the interest upon its debt and a fair charge for depreciation. This was admitted at the hearing, and it was further admitted by representatives of the town that the debts did not exceed the fair cost of a similar plant. This is also the opinion of the Board. The price named in the vote of the Board varies but little from that charged during the last year of the contract, which the company has offered to continue. Under the conditions which surround the business at Andover, it is as low as is consistent with a fair return upon the actual investment in plant.

The Board therefore recommends that the prices to be charged by the Andover Electric Company for arc and incandescent street lights, operating not less than the number heretofore used or their equivalent, and for substantially the same number of hours per month, be \$83.50 per year for each arc light of nominal 1,200-candle-power, and \$20.85 per year for each incandescent light of nominal 25-candle-power.

For the Board,

(Signed)

FORREST E. BARKER,

Chairman.

On the evening of the 9th of the present month the following communication was received by the Electric Company :

ANDOVER, MASS., Sept. 6, 1898.

MR. WALTER H. COLEMAN, *Supt. Andover Electric Company,
Andover, Mass. :*

DEAR SIR: As it seems to be impossible for the Street Lighting Committee and the Andover Electric Company to agree upon a price for lighting the streets of the town for a term of three years from April 1, 1898, I am authorized by said committee to say if your company will continue lighting the streets of Andover until after the annual town meeting, March, 1899, on the same terms as during the past year, this would be perfectly satisfactory to the committee, and bills would be approved as heretofore.

Yours respectfully,

JOHN W. BELL, *Secretary,*
For the Committee.

In answer to the above the Electric Company made answer as follows :

ANDOVER, Sept. 12, 1898.

Street Lighting Committee for the Town of Andover, Mass. :

GENTLEMEN: Yours of the 6th inst. received on the 9th. The Andover Electric Company, having considered your proposition "To light the streets of Andover on the same terms as during the past year," answer that the whole matter was placed in the hands of the Gas Commissioners for judgment, which judgment was rendered July 29 last, and furnished to your committee and the Andover Electric Company on the 2d day of August following. As it was agreed that the decision of the Gas Commissioners should be binding upon the parties interested

therein, the Board of Directors of the Andover Electric Company, at a recent meeting,

“ Voted, That the Street Lighting Committee of the town be notified that the price fixed by the Gas Commissioners, to wit, \$83.50 for arc lamps and \$20.85 for incandescent lamps, be and is the only price which the Andover Electric Company will recognize for lighting the streets of Andover, and that if a contract at such price is not made on or before October first next, the lights will be shut off.”

This action of the Andover Electric Company is in accordance with the said judgment of the Gas Commissioners, and therefore must stand as the final decision of this company.

Very truly yours,

ANDOVER ELECTRIC COMPANY,

(Signed)

by WALTER H. COLEMAN,

its Superintendent.

And here the matter rests. Now a few facts in regard to street lighting in this town: The amount of \$4,150 for lighting originated with the Electric Company, and that amount was by said company submitted to the town at its March meeting. It was not the price “made after the meeting to take up the appropriation.” The Electric Company did not petition for a hearing and decision, but agreed, as did the Lighting Committee, to abide by the same. The Gas and Electric Commissioners as established under the laws of this Commonwealth constitute the highest Board of Arbitration on all matters between electric companies and their patrons, and electric companies are in honor bound by their decisions. The lamps in this town for street lighting, as at present used, are thirty arcs and eighty-four incandescents, which at the price fixed by the Gas and Electric Commissioners call for the amount of \$4,256.40, or

\$106.40 more than the amount appropriated by the town. As the Electric Company understand the matter, there is no disagreement between the Lighting Committee and the Electric Company except as to price for lights, and as the Gas and Electric Commissioners have regulated that matter at a price not by them considered "exorbitant," and as hereinbefore expressed, the Andover Electric Company must stand on that decision. There was a misunderstanding in regard to locating lamps, but this was arranged by the following clause, which was agreed to by both parties: "That any change from arc to incandescent lamps will be made by the Electric Company, in the present system of lighting, to the intent of the equivalent of five arc lamps as the basis of four incandescent lamps for one arc, and the said Electric Company further agrees that it will raise or lower any or all of the incandescent lamps on the poles where they are now located as the town of Andover by its committee may desire."

The article in the "Townsmen," of the 16th inst., is erroneous in several respects. The first contract was submitted by the Electric Company at the first meeting of the committee and the company, and no contract was submitted by the committee until the third meeting. The Electric Company agreed to the changes as above set forth. The location of lights was not made by the Electric Company, but locations were assigned by the original Street Lighting Committee, and many changes have since been made by and at the expense of the Electric Company when requested by the town authorities, and during this past summer such changes have been made.

ANDOVER ELECTRIC COMPANY,

WALTER H. COLEMAN,

Superintendent.



Digitized by the Internet Archive
in 2013

<http://archive.org/details/electriclighting00ando>

